

CHAPTER 206
INSURANCE DEDUCTIONS
[Prior to 12/17/86, Comptroller, State[270] Ch 6]

701—206.1(70A) General provisions. The state of Iowa may grant to eligible insurance companies the right to receive insurance premiums from state employees through payroll deduction upon presentation of insurance deduction authorization forms signed by state employees.

701—206.2(70A) Qualifications. To qualify to receive insurance deductions a company must have and maintain 250 or more state officers or employees participating on a statewide basis. For purposes of certifying the 250 required state officers or employees, the company cannot count the enrollment of state officers or employees in insurance programs that have been authorized by existing Iowa Code sections, by collective bargaining contracts, or by the appropriate governing authority. A company seeking to be qualified must supply responsible officials in charge of each affected payroll system with a certified list of all state employees for whom insurance deductions are sought. The list shall contain, according to affected payroll systems, the names in alphabetical order and social security numbers of state employees for whom insurance deductions are being requested, and the name of the type of insurance being requested.

701—206.3(70A) Payroll system. A payroll system for the purpose of this chapter is any one of the following:

1. State of Iowa centralized (including the Iowa state fair board)
2. Department of transportation
3. Iowa State University of Science and Technology
4. State University of Iowa
5. University of Northern Iowa
6. Iowa Braille and Sight Saving School
7. Iowa School for the Deaf

701—206.4(70A) Forms. The administration of insurance deductions for qualified insurance companies must be done on authorization forms approved by the responsible official in charge of each payroll system.

701—206.5(70A) Noneligible types of insurance. Deductions from salaries and wages will not be authorized for any type of insurance which is being provided for by the state, such as: health and dental; term life; and long-term sickness or disability.

701—206.6(70A) Deduction limits and frequency. Authorized deductions must be a minimum of \$1. The frequency of the deductions must be compatible with the payroll system. All payroll deductions must be made in equal amounts on a monthly basis, or be made on a basis compatible with the payroll system. Deduction will be made only for the amount of insurance premiums and will not include amounts for organizational dues or membership fees, or any other purpose.

701—206.7(70A) Distribution of literature. The state of Iowa will not distribute literature soliciting insurance deductions or any other matter with payroll materials.

701—206.8(70A) Number of contributions. Each payroll system must allow each employee the opportunity to make insurance deductions to any combination of four companies but no more.

701—206.9(70A) Cash contributions. No cash contributions will be accepted or administered through the payroll process or system.

701—206.10(70A) Terminations. An employee wishing to terminate the deduction shall be required to give 30 days' notice in writing to the appointing authority of the department in which the employee works or, in the case of regents institutions, to the administrator of the payroll system through which the employee is paid.

701—206.11(70A) Remittance. The administrator of the payroll system must mail the monthly payment to each company within 20 working days after the last pay date of each calendar month. Support documentation is limited to a listing of employees and the amount deducted.

701—206.12(70A) Solicitation prohibited. Agency rules prohibiting solicitation on state property must be followed by salespersons or agents.

701—206.13(70A) Annual review of participating employees. During September of each year, each participating company must supply responsible officials in charge of each affected payroll system with a certified list of all state employees who have an insurance deduction. The list must contain the same information as required in rule 206.2(70A), and will be used by the state to determine if the company has 250 employees participating in the program.

If the minimum qualification is not being maintained, written notification will be provided to the company, giving them 90 days to meet the minimum qualification. If, at the end of the 90-day period, the minimum qualification has not been attained, the insurance deduction for all participating employees in that company will be terminated.

These rules are intended to implement Iowa Code section 70A.17.

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